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February 22, 2022

Luly Massaro, Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

re: RIPUC Docket 5202 - Renewable Energy Growth (RE Growth) Program Year 2022: NECEC Comments on Division of Public Utilities and Carriers Testimony

Dear Ms. Massaro,

The Northeast Clean Energy Council (“NECEC”) appreciates the opportunity to provide these supplemental comments related to the deeply concerning testimony of the Division of Public Utilities and Carriers (“Division”), filed on January 25th, in RIPUC Docket 5202 regarding the Renewable Energy Growth (“RE Growth”) Program. RE Growth has been a successful tool in Rhode Island’s development of a local clean energy market and a tool for achieving the greenhouse gas reduction targets set forth in the Act on Climate legislation adopted last year. A vibrant and competitive RE Growth Program is critical to growing local investment in distributed energy resources.

NECEC is a clean energy business, policy, and innovation organization whose mission is to create a world-class clean energy hub in the Northeast, delivering global impact with economic, energy and environmental solutions. NECEC is the only organization in the Northeast that covers all of the clean energy market segments, representing the business perspectives of investors and clean energy companies across every stage of development. NECEC members span the broad spectrum of the clean energy industry, including clean transportation, energy efficiency, wind, solar, energy storage, microgrids, fuel cells, and advanced and “smart” technologies.

As the Commission is aware, the ceiling prices for the RE Growth Program must be set at a level that encourages developers to participate in the competitive program at a reasonable rate of return.¹ On December 15th, the Distributed Generation Board and Office of Energy Resources filed a set of recommended ceiling prices derived from a lengthy and robust stakeholder process and consultant analysis. Because the Distributed Generation Board and Office of Energy Resources’ recommended prices strike the right balance between consumer protection and attracting clean energy deployment, the Commission should approve the price of the results of this rigorous, multi-stakeholder process in which the Division participated.

¹ R.I. Gen. Laws § 39-26.6-3(2)

By contrast, the Commission should reject the lower prices suggested by the Division in its January 25th filing. NECEC strongly opposes the Division's recommended reduction of the ceiling prices. Acceptance of the Division's recommendations would chill the solar market in Rhode Island and shake the market's faith in the RE Growth Program as a fair and reliable program in which to do business.

The RE Growth Program ceiling price development process is a collaborative effort intended to arrive at an outcome that promotes clean energy development at reasonable prices. The consultant analysis and stakeholder input have, for the history of the Program, led to ceiling prices that have driven the development of a clean energy industry in the state at reasonable ratepayer cost by promoting competition. If anything, the under-subscription of the 2021 RE Growth Program year² indicates that ceiling prices may actually be too low. Further reducing ceiling prices would exacerbate this.

The Division intends to upend this historically collaborative and successful process by recommending ceiling prices that are lower than those proposed by the consultant, approved by the Distributed Generation Board, and endorsed by the Office of Energy Resources. This is a concerning proposal that ignores the stakeholder process and proposes artificially low prices that may not be sufficient to drive development through the RE Growth Program.

For the reasons articulated above, NECEC urges the Commission to adopt the consensus driven prices filed by the Distributed Generation Board and Office of Energy Resources on December 15th and reject the Division's proposed ceiling prices.

Thank you for your consideration.

Sincerely,



Jeremy McDiarmid
Vice President, Policy & Government Affairs



Sean Burke
Policy Manager

² See National Grid's target for over 15 megawatts of solar in the third open enrollment of 2021 (available at <https://ngus.force.com/s/article/Rhode-Island-Renewable-Energy-Growth-Program>), and the results (available at <http://www.ripuc.ri.gov/eventsactions/docket/5088-NGrid-COE%203rd%20Enrollment%2012-21-21.pdf>) with ~7.5 megawatts awarded, leaving an under-subscription of ~7.5 megawatts.